

**ND ASSOCIATION OF COUNTIES FUND  
INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2007**

	January-07				December-06				September-06				Current FYTD	Prior Year FY06	3 Years Ended 6/30/2006	5 Years Ended 6/30/2006
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>																
<i>Structured Growth</i>																
Los Angeles Capital	39,227	4.5%	4.4%	3.46%	37,102	4.3%	4.4%	7.40%	35,353	4.3%	4.4%	1.60%	12.89%	11.12%	N/A	N/A
<b>Total Structured Growth</b>	<b>39,227</b>	<b>4.5%</b>	<b>4.4%</b>	<b>3.46%</b>	<b>37,102</b>	<b>4.3%</b>	<b>4.4%</b>	<b>7.40%</b>	<b>35,353</b>	<b>4.3%</b>	<b>4.4%</b>	<b>1.60%</b>	<b>12.89%</b>	<b>11.12%</b>	<b>12.01%</b>	<b>-0.32%</b>
<i>Russell 1000 Growth</i>				2.57%				5.93%				3.94%	12.93%	6.12%	8.35%	-0.76%
<i>Structured Value</i>																
<b>LSV</b>	<b>39,140</b>	<b>4.5%</b>	<b>4.4%</b>	<b>2.07%</b>	<b>41,067</b>	<b>4.7%</b>	<b>4.4%</b>	<b>8.09%</b>	<b>38,954</b>	<b>4.7%</b>	<b>4.4%</b>	<b>4.90%</b>	<b>15.74%</b>	<b>15.05%</b>	<b>21.14%</b>	<b>12.22%</b>
<i>Russell 1000 Value</i>				1.28%				8.00%				6.22%	16.19%	12.10%	15.70%	6.89%
<i>Russell 1000 Enhanced Index</i>																
<b>LA Capital</b>	<b>77,179</b>	<b>8.8%</b>	<b>8.9%</b>	<b>1.68%</b>	<b>77,819</b>	<b>9.0%</b>	<b>8.9%</b>	<b>7.67%</b>	<b>70,517</b>	<b>8.6%</b>	<b>8.9%</b>	<b>3.71%</b>	<b>13.54%</b>	<b>11.58%</b>	<b>N/A</b>	<b>N/A</b>
<i>Russell 1000</i>				1.93%				6.95%				5.06%	14.53%	9.08%	N/A	N/A
<i>S&amp;P 500 Enhanced Index</i>																
<b>Westridge</b>	<b>81,363</b>	<b>9.3%</b>	<b>8.9%</b>	<b>1.55%</b>	<b>78,408</b>	<b>9.1%</b>	<b>8.9%</b>	<b>6.86%</b>	<b>75,299</b>	<b>9.2%</b>	<b>8.9%</b>	<b>5.75%</b>	<b>14.75%</b>	<b>8.77%</b>	<b>N/A</b>	<b>N/A</b>
<i>S&amp;P 500</i>				1.51%				6.70%				5.67%	14.45%	8.63%	N/A	N/A
<i>Index</i>																
State Street	25,381			1.97%	27,558			8.03%	26,158			5.78%	16.53%	9.51%	11.47%	2.62%
<b>Total 130/30</b>	<b>25,381</b>	<b>2.9%</b>	<b>3.0%</b>	<b>1.97%</b>	<b>27,558</b>	<b>3.2%</b>	<b>3.0%</b>	<b>8.03%</b>	<b>26,158</b>	<b>3.2%</b>	<b>3.0%</b>	<b>5.78%</b>	<b>16.53%</b>	<b>9.51%</b>	<b>11.47%</b>	<b>2.62%</b>
<i>S&amp;P 500</i>				1.51%				6.70%				5.67%	14.45%	8.63%	11.22%	2.49%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>262,290</b>	<b>30.0%</b>	<b>29.7%</b>	<b>1.98%</b>	<b>261,954</b>	<b>30.2%</b>	<b>29.7%</b>	<b>7.50%</b>	<b>246,280</b>	<b>30.0%</b>	<b>29.7%</b>	<b>4.49%</b>	<b>14.55%</b>	<b>10.95%</b>	<b>13.63%</b>	<b>3.95%</b>
<i>S&amp;P 500</i>				1.51%				6.70%				5.67%	14.45%	8.63%	11.22%	2.49%
<b>SMALL CAP DOMESTIC EQUITY</b>																
<i>Manager-of-Managers</i>																
<b>SEI</b>	<b>105,698</b>	<b>12.1%</b>	<b>12.1%</b>	<b>1.65%</b>	<b>107,758</b>	<b>12.4%</b>	<b>12.1%</b>	<b>8.82%</b>	<b>98,913</b>	<b>12.0%</b>	<b>12.1%</b>	<b>-0.01%</b>	<b>10.61%</b>	<b>13.58%</b>	<b>18.20%</b>	<b>7.84%</b>
<i>Russell 2000 + 200bp</i>				1.84%				9.43%				0.94%	12.50%	16.86%	21.06%	10.38%
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>105,698</b>	<b>12.1%</b>	<b>12.1%</b>	<b>1.65%</b>	<b>107,758</b>	<b>12.4%</b>	<b>12.1%</b>	<b>8.82%</b>	<b>98,913</b>	<b>12.0%</b>	<b>12.1%</b>	<b>-0.01%</b>	<b>10.61%</b>	<b>13.58%</b>	<b>18.20%</b>	<b>7.86%</b>
<i>Russell 2000</i>				1.67%				8.90%				0.44%	11.21%	14.58%	18.70%	8.50%
<b>INTERNATIONAL EQUITY</b>																
<i>Large Cap - Active</i>																
Capital Guardian	48,416	5.5%	5.3%	1.47%	48,376	5.6%	5.3%	8.53%	44,523	5.4%	5.3%	5.02%	15.66%	28.07%	20.99%	6.90%
LSV	48,174	5.5%	5.3%	1.42%	48,072	5.5%	5.3%	10.66%	43,450	5.3%	5.3%	6.24%	19.23%	27.09%	N/A	N/A
<b>Total Large Cap - Active</b>	<b>96,590</b>	<b>11.0%</b>	<b>10.6%</b>	<b>1.44%</b>	<b>96,447</b>	<b>11.1%</b>	<b>10.6%</b>	<b>9.58%</b>	<b>87,973</b>	<b>10.7%</b>	<b>10.6%</b>	<b>5.62%</b>	<b>17.41%</b>	<b>27.66%</b>	<b>21.92%</b>	<b>12.63%</b>
<i>MSCI EAFE - 50% Hedged</i>				1.35%				9.06%				4.87%	15.92%	26.72%	22.56%	6.89%
<i>Small Cap - Value</i>																
<b>Lazard</b>	<b>11,716</b>	<b>1.3%</b>	<b>1.3%</b>	<b>0.10%</b>	<b>11,850</b>	<b>1.4%</b>	<b>1.3%</b>	<b>14.71%</b>	<b>10,336</b>	<b>1.3%</b>	<b>1.3%</b>	<b>0.72%</b>	<b>15.65%</b>	<b>23.65%</b>	<b>28.06%</b>	<b>N/A</b>
<i>Citigroup Broad Market Index &lt; \$2BN</i>				1.50%				11.41%				1.53%	14.80%	29.28%	32.40%	N/A
<i>Small Cap - Growth</i>																
<b>Vanguard</b>	<b>12,217</b>	<b>1.4%</b>	<b>1.3%</b>	<b>2.94%</b>	<b>12,018</b>	<b>1.4%</b>	<b>1.3%</b>	<b>12.63%</b>	<b>10,671</b>	<b>1.3%</b>	<b>1.3%</b>	<b>3.73%</b>	<b>20.26%</b>	<b>29.24%</b>	<b>32.39%</b>	<b>N/A</b>
<i>Citigroup Broad Market Index &lt; \$2BN</i>				1.50%				11.41%				1.53%	14.80%	29.28%	32.40%	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>120,523</b>	<b>13.8%</b>	<b>13.3%</b>	<b>1.46%</b>	<b>120,315</b>	<b>13.9%</b>	<b>13.3%</b>	<b>10.36%</b>	<b>108,979</b>	<b>13.3%</b>	<b>13.3%</b>	<b>4.93%</b>	<b>17.49%</b>	<b>27.35%</b>	<b>23.83%</b>	<b>8.67%</b>
<i>MSCI EAFE - 50% Hedged</i>				1.35%				9.06%				4.87%	15.92%	26.72%	22.56%	6.89%
<b>DOMESTIC FIXED INCOME</b>																
<i>Core Bond</i>																
<b>Western Asset</b>	<b>105,403</b>	<b>12.0%</b>	<b>12.2%</b>	<b>-0.10%</b>	<b>115,947</b>	<b>13.4%</b>	<b>13.8%</b>	<b>2.01%</b>	<b>112,772</b>	<b>13.7%</b>	<b>13.8%</b>	<b>4.45%</b>	<b>6.45%</b>	<b>-0.90%</b>	<b>7.36%</b>	<b>8.59%</b>
<i>Lehman Aggregate</i>				-0.04%				1.24%				3.81%	5.05%	-0.81%	2.05%	4.97%
<i>Mortgage Backed</i>																
<b>Hyperion</b>	<b>27,658</b>	<b>3.2%</b>	<b>3.2%</b>	<b>N/A</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>	<b>N/A</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<i>Lehman Global Aggregate (US Securitized Portion)</i>																
<i>Core Plus/Enhanced</i>																
Clifton Group	27,170	3.1%	3.2%	-0.16%	26,387	3.0%	3.2%	0.66%	26,012	3.2%	3.2%	N/A	N/A	N/A	N/A	N/A
Prudential	27,274	3.1%	3.2%	0.05%	26,424	3.1%	3.2%	1.88%	25,722	3.1%	3.2%	N/A	N/A	N/A	N/A	N/A
<b>Total Core Plus/Enhanced</b>	<b>54,443</b>	<b>6.2%</b>	<b>6.4%</b>	<b>-0.06%</b>	<b>52,812</b>	<b>6.1%</b>	<b>6.4%</b>	<b>1.27%</b>	<b>51,734</b>	<b>6.3%</b>	<b>6.4%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<i>Lehman Aggregate</i>				-0.04%				1.24%				3.81%				
<i>Index</i>																
<b>Bank of ND</b>	<b>50,224</b>	<b>5.7%</b>	<b>6.0%</b>	<b>-0.12%</b>	<b>48,776</b>	<b>5.6%</b>	<b>6.0%</b>	<b>1.31%</b>	<b>49,600</b>	<b>6.0%</b>	<b>6.0%</b>	<b>3.10%</b>	<b>4.34%</b>	<b>-1.14%</b>	<b>1.14%</b>	<b>4.90%</b>
<i>Lehman Gov/Credit (1)</i>				-0.08%				1.04%				3.91%	4.90%	-1.52%	1.04%	4.78%
<i>BBB Average Quality</i>																
<b>Wells Capital (formerly Strong)</b>	<b>105,327</b>	<b>12.0%</b>	<b>12.2%</b>	<b>0.13%</b>	<b>115,616</b>	<b>13.3%</b>	<b>13.8%</b>	<b>1.75%</b>	<b>112,741</b>	<b>13.7%</b>	<b>13.8%</b>	<b>4.60%</b>	<b>6.57%</b>	<b>-2.11%</b>	<b>2.63%</b>	<b>N/A</b>
<i>Lehman US Credit BAA</i>				0.12%				1.49%				4.80%	6.48%	-2.37%	2.63%	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>343,055</b>	<b>39.2%</b>	<b>40.0%</b>	<b>-0.01%</b>	<b>333,151</b>	<b>38.5%</b>	<b>40.0%</b>	<b>1.70%</b>	<b>326,847</b>	<b>39.8%</b>	<b>40.0%</b>	<b>4.28%</b>	<b>6.05%</b>	<b>-1.39%</b>	<b>6.59%</b>	<b>7.79%</b>
<i>Lehman Aggregate (2)</i>				-0.04%				1.24%				3.81%	5.05%	-0.81%	1.84%	5.28%
<b>CASH EQUIVALENTS</b>																
<b>Bank of ND</b>	<b>43,160</b>	<b>4.9%</b>	<b>5.0%</b>	<b>0.45%</b>	<b>42,980</b>	<b>5.0%</b>	<b>5.0%</b>	<b>1.32%</b>	<b>40,527</b>	<b>4.9%</b>	<b>5.0%</b>	<b>1.35%</b>	<b>3.14%</b>	<b>4.50%</b>	<b>2.71%</b>	<b>2.42%</b>
<i>90 Day T-Bill</i>				0.41%				1.26%				1.33%	3.02%	4.00%	2.37%	2.25%
<b>TOTAL NDACo FUND</b>	<b>874,726</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.03%</b>	<b>866,159</b>	<b>100.0%</b>	<b>100.0%</b>	<b>5.43%</b>	<b>821,546</b>	<b>100.0%</b>	<b>100.0%</b>	<b>3.76%</b>	<b>10.52%</b>	<b>6.38%</b>	<b>8.63%</b>	<b>5.44%</b>
<i>POLICY TARGET BENCHMARK</i>				0.83%				4.80%				3.97%	9.87%	6.01%	7.83%	5.26%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.